



662 Deere Street

March 2024

Our mission is to assist, support, empower and advocate for the most vulnerable members of our community.



We Serve the Most Vulnerable Community Members

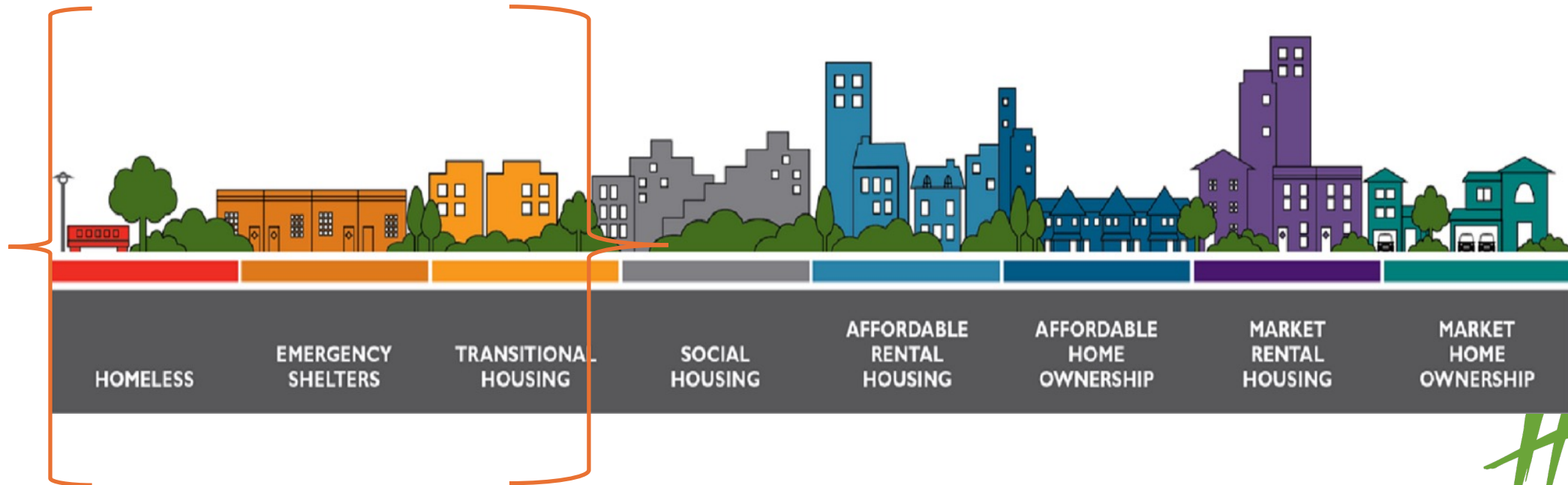
- Serving our community for 50 years
- Programs and services are aimed at supporting the most vulnerable:
 - food security: - food bank, daily community lunch program
 - housing security: - housing focused emergency shelter, homelessness prevention programming, supportive housing
 - counseling
- Additionally, The Hope Centre operates as a Community Hub, providing access to program partners including: CMHA, CASON, Birchway, and REACH, who all have offices within The Hope Centre



We Serve the Most Vulnerable Community Members

- The Hope Centre has provided housing focused emergency shelter for the past 10 years, and supportive housing programs for the past 8 years

THE HOUSING CONTINUUM



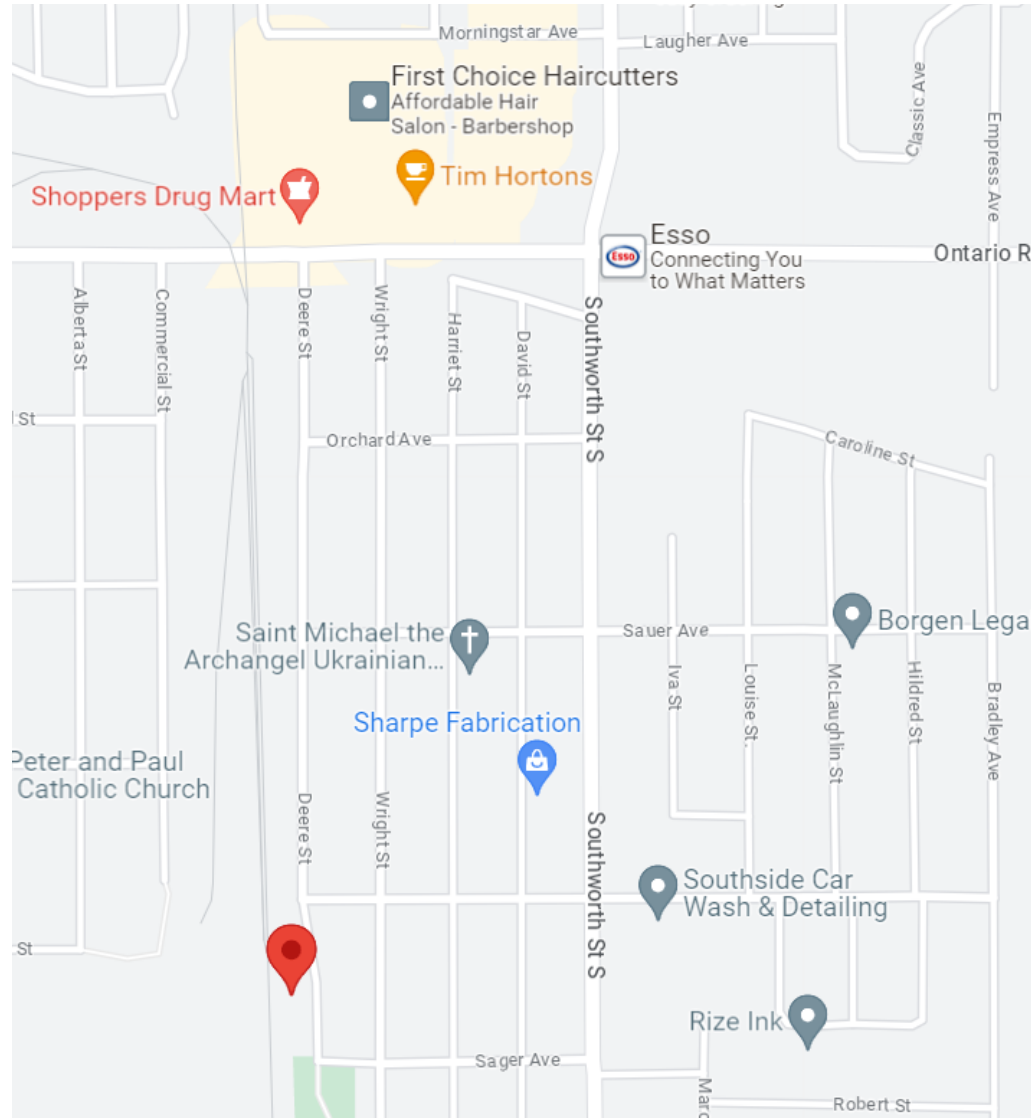
We Serve the Most Vulnerable Community Members

- Current target population are single adult males who are exiting homelessness
- Supportive transitional housing program:
 - offers a supportive environment where clients can begin to address the issues that led to homelessness or kept them homeless
 - clients develop the skills needed to maintain housing and to rebuild their support networks
 - these are time limited programs (no more than 4 years per client) that are geared towards moving clients from homelessness to sustained housing

Deep Affordability is a Difficult Challenge

- One of the major hurdles is finding deeply affordable housing
- We currently operate under a head lease scenario, leasing from local landlords and subleasing to clients
- However fewer and fewer units are available that are affordable for single people receiving Ontario Works (\$733/month)
- CMHC reports (October, 2023) that rent for 1 bedroom units in Welland increased by 8.7% over the previous year, and the average 1 bedroom apartment in Welland costs \$1,043, well out of the budget of a person in receipt of Ontario Works
- We are very excited about the Deere Street Residence – it will provide 6 deeply affordable bedrooms for supportive housing in our community

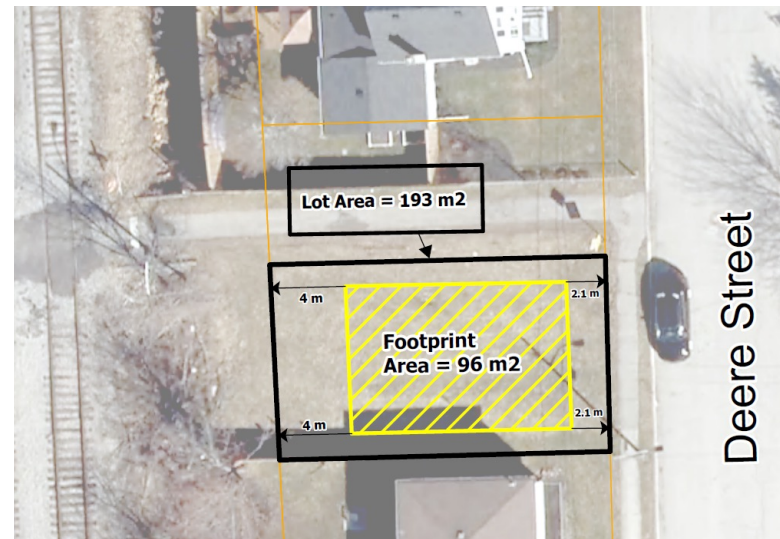
662 Deere Street Location



- Currently a vacant lot in a residential neighborhood
- The property is close to the 506 bus; 500 meters to the bus at the corner of Deere and Orchard
- 700 meters to Rose City Plaza with: Fresh Co, Shoppers Drug Mart, & Tim Hortons
- Public School is 1.2 km.
- Welland Library is 1.2 km.

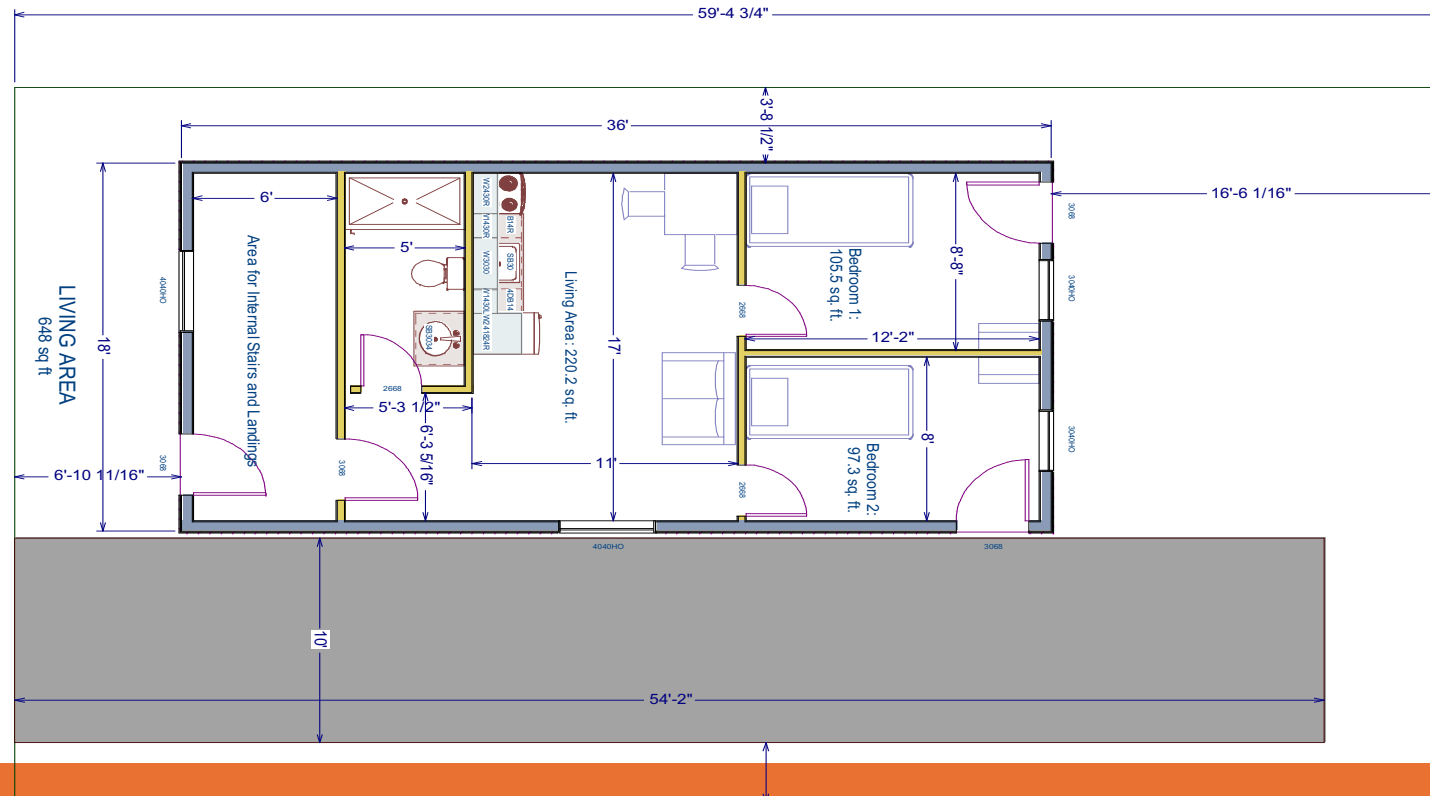
662 Deere Street Configuration

- The property will fit three, two bedroom units with two storeys above ground and one basement unit
- The building will be 18' wide by 36' deep; a footprint of 648 ft²
- The footprint approved in minor variance is 96 m² which is 1,033 ft²; back setback is 4 meters, front setback is 2.1 meters and parking for two cars is required
- The two storey plus basement walk-up configuration meets variances



662 Deere Street Layout

- Each unit will be 531 ft²; 2 bedrooms, bathroom & kitchen
- There is an entrance to each bedroom and the common areas
- The ground floor unit will be accessible
- Accommodates six individuals in supportive housing



Deere Street City Incentives

Hope Centre's Request for City Support on Deere Street Project:

- Long term land lease at no cost (AH-CIP Special Lands Program)
- City extends services to lot line
- Waive all City development fees (AH-CIP, Municipal Fees Grant; seek waiver from Region and School Board)
- Grant or forgivable loan for financing purchase:
 - The Hope Centre will use \$57,500 of its existing funds
 - \$35,000 from Affordable Residential Forgivable Loan
 - Amount from Affordable Housing Reserve Fund
- Affordable Housing Study Grant (AHG): 50% of study fees to max. \$15,000
- Extended Benefit Grant (EBG) to achieve deep affordability
 - For each of the three units - \$6,000 per year for 5 years



Support Available from CMHC Affordable Investment Fund

The Hope Centre's Request for CMHC Support on Deere Street

- **Forgivable Loan** – up to 40% of eligible costs
- **Repayable Loan** – the balance of financing required to a maximum of 95% of eligible costs; interest rate 3.1% but stress test 4.1%
- **Seed Funding** to finance early costs:
 - Non-repayable Contribution - maximum of \$150,000
 - Repayable Portion – maximum of \$350,000
 - Much work has been done; likely request approximately \$70,000
- Involves a rigorous process involving fees and several months

Pro Forma Financing

	2 Units plus Basement Unit, Interior Walk up	
Total Project Investment	\$620,000	
Sources of Financing:		
The Hope Centre Equity	\$57,500	9.3%
City of Welland		8.5%
Affordable Housing Study Grant	\$7,500	
Affordable Residential Forgivable Loan	\$35,000	
Forgivable Loan AH Reserve Fund	\$10,000	
Extended Benefits Grant	\$6,000/yr./unit	
CMHC		82.2%
Forgivable Loan	\$220,000	
Repayable Loan	\$290,000	
Total Financing	\$620,000	



Estimates are to be revised after architectural drawings are completed

Highlights of Rent Estimates

- Average Monthly Rent (AMR) for a two bedroom apartment in St. Catharines – Niagara region is \$1,388, up 8.4% in 2023 versus 2022 – largely due to the low 2.8% vacancy rate ⁽¹⁾.
- Monthly rent per unit is estimated to be less than 60% of AMR.
- Monthly rent, utilities and supports are less than \$500 per room mate.

(1): Rental Market Report; Housing Market Information; CMHC

Critical Path Next Steps

- Approval of Affordable Housing Advisory Committee
- Initiate application for CMHC Seed Fund (March 11)
- Re-submit application for Affordable Housing CIP (Week of March 25 to 29)
- Seek approval of Welland Council in April 9 Council meeting
- With funding from Affordable Housing Study Grant or CMHC Seed Fund; initiate architectural drawings (week of April 8 to 12)
- Continue CMHC funding process – iterative, likely several months
- Target construction in August